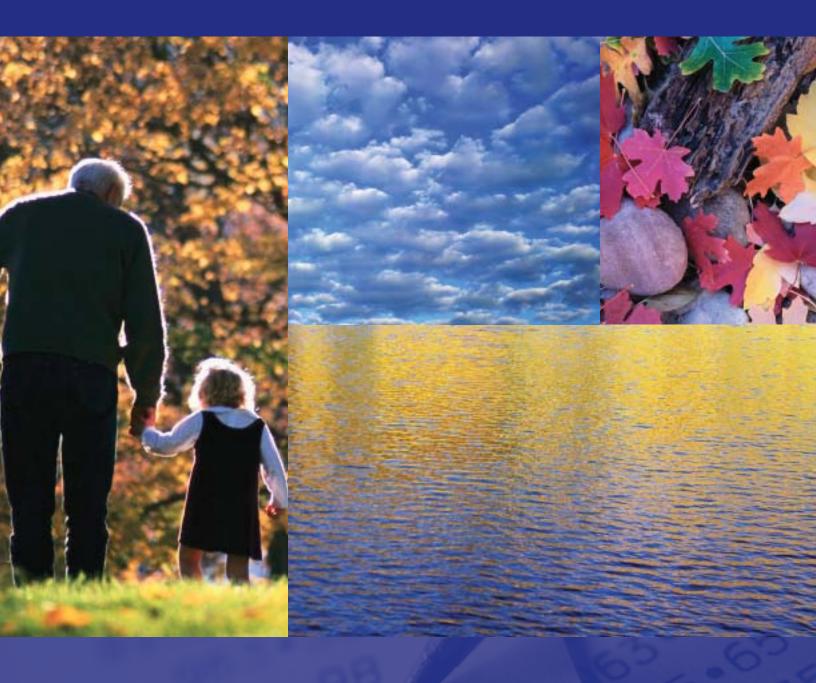


## Fiscal Year 2003 Annual Report

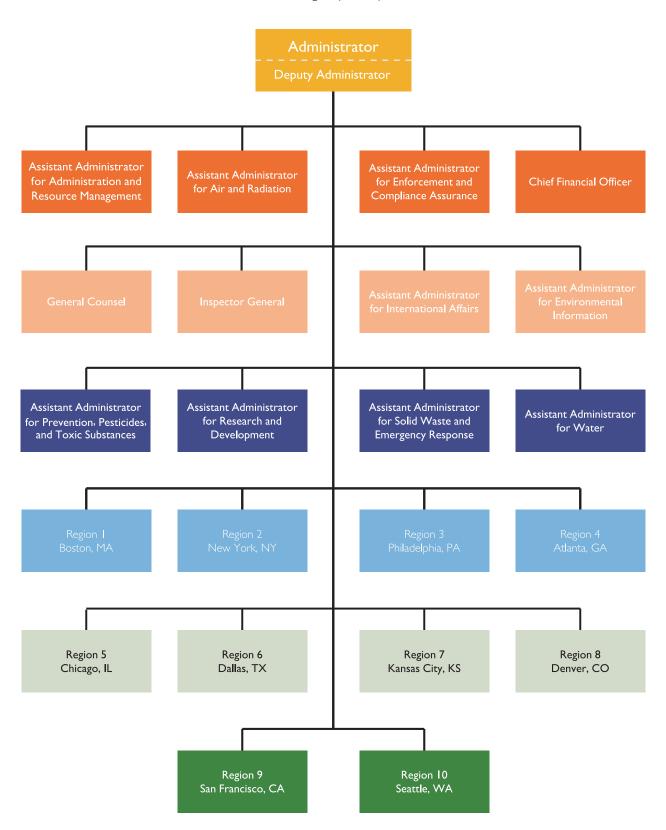
U.S. Environmental Protection Agency



Financial and Environmental Progress

#### U.S. Environmental Protection Agency

The mission of the Environmental Protection Agency is to protect human health and the environment.



# Message from the Administrator



It gives me great pleasure to present the Environmental Protection Agency's Annual Report for FY 2003 as I begin my tenure as Administrator. Like the annual reports of other major organizations, EPA's incorporates a set of audited annual financial statements with a summary of the Agency's accomplishments over the past fiscal year. EPA's Annual Report is distinct, however, because it provides a public accounting of both the results of its efforts, in terms of a cleaner and healthier environment for the American people, and the good uses to which the Agency has put taxpayer resources. As the newest leader of the EPA community, I take pride in the environmental and managerial achievements described in this Annual Report and pledge to build on them in the future.

I hope all readers of this Report will take from it a sense of the hard work that EPA has done and continues to do on behalf of all Americans. At the same time, this Report emphasizes other significant messages, including the importance of EPA's collaboration with state, tribal, and local governments to bring environmental protection programs to every part of the nation. The Report addresses also the range of resources that support EPA efforts—not just public funding, but also scientific knowledge, environmental information, and skilled people applying their expertise to real-world issues relevant to communities everywhere. In addition, EPA's Annual Report helps fulfill our responsibility to inform citizens about environmental problems and solutions, especially solutions that all of us, as citizens, can help to promote.

EPA is fortunate in its dedication to a valuable mission: to protect human health and the environment. Thank you for your continuing interest in our work and your shared commitment to sound stewardship of our natural resources.

Michael O. Leavitt Administrator

Mechael Chair

### Message from the Chief Financial Officer

I am pleased to provide EPA's Annual Report for FY 2003. At the 10-year mark following the enactment of the Government Performance and Results Act of 1993, we are proud of our accomplishments in fulfilling its mandate. At EPA, the cycle of planning, budgeting, program implementation, performance measurement, and annual reporting is producing valuable results. Working with our partners in state, tribal, and local governments, we manage the nation's environmental programs effectively and efficiently. Our Annual Report describes these partnerships, highlighting the environmental outcomes of our collaboration, and provides a public accounting of EPA's use of taxpayer resources in the form of audited financial statements. We hope all readers—members of the public as well as our partners and stakeholders in other federal agencies, Congress, OMB, industry, and the environmental community—will find this Annual Report useful and informative. We have endeavored to make it more timely, too, by working closely with our colleagues in EPA's Office of Inspector General to accelerate its preparation ahead of the government-wide schedule and publish it only 8 weeks after the close of the fiscal year.

Results are central to the President's Management Agenda, and EPA has made a number of advances this year in support of results-oriented, citizen-centered government. In June 2003, EPA became the third federal agency to achieve a "green" results score for Improved Financial Performance on the Executive Branch Management Scorecard. This score is based on success in several financial management efforts. We are especially proud of EPA's proven record of making timely and accurate financial information available to environmental program managers, who use this information—integrated with information about program results—to make decisions on a daily basis. This means we can give our assurance to the public that EPA strives to deliver the best results with the greatest efficiencies.

We always are interested in our readers' suggestions for improvements to the Annual Report, and we welcome your ideas for making the Annual Report for 2004 more informative and interesting. We invite you to send comments by postal or electronic mail to the addresses provided on the inside back cover of this Report.

Thank you for contributing to the nation's efforts to bring a clean environment and good health to all Americans.

Linda M. Combs Chief Financial Officer

Liven M. Combs

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